



BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
[B-17-2020]

Foreign-Trade Zone (FTZ) 116 – Port Arthur, Texas,
Notification of Proposed Production Activity,
Port Arthur LNG, LLC
(Liquified Natural Gas Processing),
Port Arthur, Texas

Port Arthur LNG, LLC (Port Arthur LNG) submitted a notification of proposed production activity to the FTZ Board for its facility in Port Arthur, Texas. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on February 26, 2020.

The applicant indicates that the grantee will be submitting a separate application for FTZ designation at the company's facility under FTZ 116. The facility is used for liquified natural gas processing. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status material and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Port Arthur LNG from customs duty payments on the foreign-status material used in export production. On its domestic sales, for the foreign-status material noted below, Port Arthur LNG would be able to choose the duty rates during customs entry procedures that apply to liquified natural gas, heavy hydrocarbon stream, and stabilized gas condensate (duty rate ranges from duty-free to 10.5 cents/barrel). Port Arthur LNG would be able to avoid duty on foreign-

status material which becomes scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The material sourced from abroad is gaseous natural gas (duty-free). The request indicates that gaseous natural gas is subject to special duties under Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign status (19 CFR 146.41).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: ftz@trade.gov. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Diane Finver at Diane.Finver@trade.gov or (202) 482-1367.

Dated: March 16, 2020.

Andrew McGilvray,
Executive Secretary.

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